



## MONTANA UNEMPLOYMENT INSURANCE (UI) QUARTERLY NEWS

### **Reminders**

Please make your checks payable to the Unemployment Insurance Division.

**Social Security Numbers:** It is very important that you provide accurate social security numbers for each employee. Social security numbers are needed to identify wages for use on a UI benefit claim and in calculating excess wages for employees.

**Retirement or Health Plans (401K):** Amounts withheld/deducted from an employee's gross wages for health insurance or retirement plans are reportable wages for Unemployment Insurance (UI). Employer contributions to these plans are exempt from reporting to UI.

### **Filing and Paying UI Timely Saves You Money**

Filing your unemployment insurance quarterly report and making payment by the due date can result in significant cost savings to your business.

### **Avoid Late File Penalty of \$25**

- A late filing penalty of \$25 is assessed for reports filed after the due date. If you file late but had no reportable wages, you will still receive a \$25 penalty for late filing.

### **Avoid Penalty Rates in 2009**

- Employers who have a balance due or have not filed all reports when rates are calculated are assessed a penalty rate. A penalty rate is 50% higher than the employer's experience rate. Resolving your balance due or delinquent report(s) now may result in substantial savings in 2009. You must resolve all money and report delinquencies to avoid a penalty rate. If you have questions about your delinquencies, please call our office at 406-444-3834.

### **Receive Full FUTA Credit**

- Employers who do not pay their state UI contributions are not allowed the full 5.4% FUTA (federal unemployment tax) credit on their IRS form 940. Rather than paying FUTA at the .08% rate, employers who do not pay state UI taxes are assessed FUTA at 6.2%. Be sure to pay your state UI tax timely so you can receive the full FUTA credit.

### **2008 Assistance for Business Clinics**

There is still time to attend 2008 Assistance for Business Clinics in western Montana. If you are interested in attending, please call the sponsor (Chamber of Commerce or Job Service) at the number listed below.

<b><u>City</u></b>	<b><u>Date</u></b>	<b><u>Location</u></b>	<b><u>Fee</u></b>	<b><u>Telephone</u></b>
Polson	October 7	Lake Co. Health Dept.	\$40/35**	883-7885
Missoula	October 8	Quality Inn	\$35/45*	543-6623

\* JSEC member/non-member fees; \*\* single attendee/2 or more attendees





## **Taxable Wage Base - Calculating Excess & Taxable Wages**

### **Calculating Excess & Taxable Wages**

The taxable wage base in **2008** is \$23,800. This means wages over \$23,800 paid to an individual employee must be reported but are not taxed. Be sure to subtract excess wages from total wages when calculating taxable wages. The example below illustrates taxable wages and excess wages, using the 2008 wage base.

#### **Computing Excess Wages - per employee** (based on 2008 UI wage base of \$23,800)

Quarter	Total Wages Paid In Quarter	Total Wages Paid To Date	Qtrly Taxable Wages	Qtrly Excess Wages
First	\$ 8,000	\$ 8,000	\$ 8,000	\$ 0
Second	8,000	16,000	8,000	0
Third	8,000	24,000	7,800	200
Fourth	8,000	32,000	0	8,000

**NOTE:** Reimbursable and governmental employers should NOT report excess wages as they pay UI tax on total wages.

The Taxable Wage Base for **2009** will be \$25,100. The taxable wage is based on 80% of the prior year's average annual wage (rounded to the nearest \$100). It applies only to contributory employers (not those paying under governmental rating or reimbursable plans).

### **If you have questions about Unemployment Insurance**

Field Representatives are located across Montana and can help register your business, answer questions and help you prepare payroll reports. Please call them if you need local assistance (all phone numbers have a (406) prefix).

Billings	Diane Bianchi	247-1032	Missoula	Chris Wheeler	329-1415
	Mary Bernhardt	247-1007		Lisa Hamer	329-1438
	Danelle Fogarty	247-1056		Scott Moothart	329-1420
	Lisa Barton	247-1009			
Bozeman	Richard Gobbs	585-2779	Kalispell	Joseph Reiner	758-5900
	Brandy McManus	582-7873			
Great Falls	Amy Everaert	771-6523	Helena	Richard Eldredge	444-1903

You may also call our Helena central office at (406) 444-3834. Additionally, our web page has current forms, updates and information. Our web site is <http://uid.dli.mt.gov>

